BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA DOCKET NO. 2018-349-C

Appl	lication of)	
Fibe	erLight, LLC	
And Facil Interest Acce the S	Certificate of Public Convenience Necessity to Provide Resold and ities-Based Local Exchange and exchange (Including Exchange ess) Telecommunications Services in itate of South Carolina and for mative and Flexible Regulation DIRECT TESTIMONY OF TONY D. CASH DIRECT TESTIMONY OF TONY D. CASH) DIRECT TESTIMONY OF TONY D. CASH) DIRECT TESTIMONY OF TONY D. CASH)	
Q.	PLEASE STATE YOUR FULL NAME, BUSINESS ADDRESS, AND POSITION.	
Α.	My name is Tony D. Cash. My business address is 1700 Great Oaks Way, Suite 100	
	Alpharetta, GA 30022. I am Executive Vice President ("EVP") and General Counsel of	
	FiberLight, LLC ("FiberLight").	
Q.	ON WHOSE BEHALF ARE YOU TESTIFYING?	
A.	I'm testifying on behalf of FiberLight.	
Q.	HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?	
A.	No, I have not.	
Q.	PLEASE BRIEFLY DESCRIBE YOUR DUTIES.	
A.	My responsibility as EVP and General Counsel is to guide the company's stakeholders	
	and executive leadership on organizational business practices and other decision-making	
	activities. In addition, I oversee all of FiberLight's legal, regulatory and human resource	
	functions.	

1	Q.	PLEASE DESCRIBE YOUR BUSINESS EXPERIENCE AND EDUCATIONAL
2		BACKGROUND.
3	A.	I have a breadth of legal knowledge built on twenty years of prior in-house
4		telecommunications experience with both AT&T and BellSouth, experience founding a
5		startup technology licensing company and a decade working in private practice. I have
6		received degrees from Clemson University (BA), Duke University (MBA), and Georgia
7		State University (JD).
8	Q.	ARE YOU FAMILIAR WITH THE APPLICATION THAT FIBERLIGHT
9		SUBMITTED TO THIS COMMISSION?
10	A.	Yes, and that Application and Exhibits are incorporated into this Testimony by reference
11	Q.	DOES ANY INFORMATION IN THE APPLICATION NEED TO BE UPDATED
12		OR REVISED?
13	A.	Since the Application was filed, FiberLight has filed for certification in Alabama and
14		therefore has an application pending there as well as in West Virginia.
15	Q.	ARE ALL STATEMENTS IN FIBERLIGHT'S APPLICATION TRUE AND
16		CORRECT TO THE BEST OF YOUR KNOWLEDGE, INFORMATION AND
17		BELIEF?
18	A.	Yes.
19	Q.	HAS FIBERLIGHT APPLIED PREVIOUSLY FOR CERTIFICATION TO
20		PROVIDE INTRASTATE TELECOMMUNICATIONS SERVICES IN SOUTH
21		CAROLINA?
22	A.	No.
23	Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?

1	Α.	The purpose of my testimony is to support the Application filed by FiberLight to obtain
2		authority to provide facilities-based and resold local exchange and interexchange
3		telecommunications services in South Carolina by demonstrating, among other things,
4		that FiberLight has the financial, managerial and technical expertise to provide such
5		services in South Carolina, and that granting FiberLight's Application is in the public
6		interest.
7	Q:	PLEASE DESCRIBE THE CURRENT CORPORATE STRUCTURE OF
8		FIBERLIGHT.
9	A.	As more fully described in the Application, FiberLight is virtually 100% (greater than
10		99%) owned by Thermo Acquisitions, Inc. Applicant is a Delaware limited liability
11		company formed on March 18, 2005. A copy of Applicant's Articles of Organization is
12		attached to FiberLight's Application as Exhibit A .
13	Q.	IS FIBERLIGHT LEGALLY AUTHORIZED TO DO BUSINESS IN SOUTH
14		CAROLINA?
15	A.	Yes. FiberLight is authorized to transact business in the State of South Carolina. A copy
16		of FiberLight's Certificate of Authority to Transact Business in the State of South
17		Carolina is attached to FiberLight's Application as Exhibit A .
18	Q.	PLEASE DESCRIBE THE AUTHORITY THAT FIBERLIGHT SEEKS FROM
19		THE COMMISSION.
20	A.	FiberLight is seeking authority to provide local exchange and interexchange—including
21		exchange access—telecommunications services in the State of South Carolina. In
22		addition, FiberLight requests flexible regulation for its local exchange
23		telecommunications services in accordance with procedures first authorized in Order No.

1		98-165 in Docket No. 97-267-C. FiberLight also requests that the Commission regulate
2		its interexchange service offerings in accordance with the principles and procedures
3		established for alternative regulation in Commission Order Nos. 95-1734 and 96-55 in
4		Docket No. 95-661-C, as modified by Commission Order No. 2001-997 in Docket No.
5		2000-407-C.
6	Q.	HAS FIBERLIGHT BEEN AUTHORIZED TO PROVIDE SUCH SERVICE IN
7		ANY OTHER JURISDICTIONS?
8	A.	Yes. FiberLight is currently authorized to provide intrastate telecommunications service
9		in Florida, Georgia, Virginia, Louisiana, Texas, Maryland, Oklahoma, New Mexico,
10		North Carolina (IXC only) and the District of Columbia. Additionally, FiberLight has
11		pending applications for statewide authority in West Virginia and Alabama. FiberLight
12		has not been denied requested certification in any jurisdiction, nor has any permit, license
13		or certificate been permanently revoked by any authority.
14	Q.	PLEASE EXPLAIN FIBERLIGHT'S MANAGERIAL AND TECHNICAL
15		QUALIFICATIONS TO PROVIDE THE SERVICES IT SEEKS
16		AUTHORIZATION TO PROVIDE IN ITS APPLICATION.
17	A.	FiberLight is technically and managerially qualified to provide competitive local,
18		intraLATA and interLATA telecommunications services statewide in South Carolina.
19		Applicant's operations will be directed by its existing corporate management, technical
20		and operations staffs, who are responsible for FiberLight's telecommunications
21		operations. A description of the background of Applicant's key personnel, demonstrating
22		the extensive telecommunications experience of its management team, is provided as
23		Exhibit D to its Application. FiberLight's highly-qualified engineering and technical

1	staff will work to ensure that its operations will meet high standards for service quality
2	and reliability.

3 Q. PLEASE DESCRIBE FIBERLIGHT'S FINANCIAL QUALIFICATIONS.

A. FiberLight possesses the requisite financial resources to provide the telecommunications
 services it seeks authority to provide in South Carolina. FiberLight's audited financial
 statement was filed under seal with its Application as Exhibit C. FiberLight's audited
 financials provide evidence that FiberLight is financially qualified to provide service in
 South Carolina.

Q. PLEASE DESCRIBE THE TYPES OF SERVICES THAT FIBERLIGHT WILL OFFER IN SOUTH CAROLINA.

A.

Applicant seeks authority to provide facilities-based and resold local exchange, exchange access and interexchange telecommunications services. Applicant will offer interexchange telecommunications statewide. To the extent Applicant provides switched local exchange services, it will initially do so in the areas served by AT&T and does not plan to provide service in areas of any small or rural local exchange carriers. However, FiberLight does seek authority to provide local exchange services in all areas that are currently open, or become open in the future, to competition so that it may expand into other services as market conditions warrant.

Services to be offered by FiberLight could include exchange access services, exchange access optional features, directory assistance and operator services, optional local exchange services, special arrangements and other miscellaneous services. As part of its special access offerings, FiberLight intends to provide facilities-based and resale intrastate private line and special access services.

FiberLight will offer 9-1-1 selective routing, switching, aggregation and call transport. The Applicant intends to provide emergency call routing, transport and related functionalities to state and municipal governmental agencies to support public service answering point ("PSAP") operations. For these purposes, Applicant will rely primarily on existing facilities obtained from other carriers and utilities, but will construct its own facilities, as necessary.

Applicant does not initially intend to offer voice services but seeks authority to do so should Applicant decide to expand its services as market conditions dictate. To the extent Applicant provides voice telephone services in the future, Applicant intends to use the existing local exchange boundaries and established local calling scope of the incumbent local exchange carriers in South Carolina.

Q. WHAT FACILITIES WILL FIBERLIGHT USE TO PROVIDE ITS PROPOSED LOCAL EXCHANGE SERVICES?

- **A.** FiberLight will primarily provide services using its own facilities and facilities leased from other carriers, but may also rely upon resold services and unbundled network elements.
- 17 Q. HAS FIBERLIGHT BEGUN INTERCONNECTION NEGOTIATIONS WITH
 18 INCUMBENT LOCAL EXCHANGE CARRIERS (ILECS) IN SOUTH
 19 CAROLINA?
 - A. At this time, applicant has not begun negotiations with ILECs in South Carolina for interconnection agreement(s). However, as soon as it becomes necessary, FiberLight will negotiate with relevant ILECs interconnection agreements, commercial agreements and such other agreements as might be necessary to meet customer requirements.

1 Q. WHAT GEOGRAPHIC AREAS WILL APPLICANT SERVE?

2 Α. Applicant will offer interexchange telecommunications statewide. To the extent 3 Applicant provides switched local exchange services, it will initially do so in the areas 4 served by AT&T and does not plan to provide service in areas of any small or rural local 5 exchange carriers. However, FiberLight does seek authority to provide local exchange 6 services in all areas that are currently open, or become open in the future, to competition 7 so that it may expand into other services as market conditions warrant. Applicant intends 8 to mirror the existing local exchange boundaries of the incumbent local exchange carriers 9 in South Carolina.

Q. WILL FIBERLIGHT OFFER SERVICE TO ALL CONSUMERS WITHIN ITS SERVICE AREA?

- 12 **A.** FiberLight's markets its services to wholesale (*e.g.*, other carriers), government, health
 13 care, education, financial services and other enterprise customers. FiberLight will have a
 14 tariff on file and will provide tariffed service in South Carolina on a nondiscriminatory
 15 basis. FiberLight primarily provide business services and does not intend to provide
 16 retail residential local exchange services in South Carolina.
- Q. WILL FIBERLIGHT'S TARIFF CONTAIN ALL OF ITS RATES AND
 CHARGES AS REQUIRED FOR INTRASTATE TELEPHONE SERVICES?
- Yes. FiberLight's proposed tariff, setting forth the rates, terms, conditions and regulations pursuant to which FiberLight proposes to provide regulated telecommunications services, was provided as **Exhibit B** to its Application.

22 Q. HOW WILL FIBERLIGHT BILL FOR ITS SERVICES?

1	A.	FiberLight will issue monthly invoices to its customers and will include the toll-free
2		customer service number on the customer invoice.
3	Q.	DOES FIBERLIGHT OFFER A DEBIT OR PREPAID CALLING CARD?
4	A.	No, FiberLight does not currently offer a debit card or prepaid calling card services, and
5		does not intend to offer such services in South Carolina. FiberLight also does not intend
6		to offer residential local exchange service. As such, Regulation 103-607 does not apply
7		to FiberLight. In the event FiberLight provides retail residential local exchange services
8		in South Carolina, Applicant will comply with the provisions of S.C. Code Ann. Regs.
9		103-607.
10	Q.	DOES FIBERLIGHT AGREE TO ABIDE BY ALL RULES, REGULATIONS,
11		POLICIES AND ORDERS OF THIS COMMISSION, AND THE LAWS OF THE
12		STATE OF SOUTH CAROLINA, IN ITS PROVISION OF
13		TELECOMMUNICATIONS SERVICE?
14	A.	Yes. FiberLight agrees to abide by all rules and regulations that are applicable to its
15		
		provision of telecommunications services with the State of South Carolina.
16	Q.	provision of telecommunications services with the State of South Carolina. HOW WILL FIBERLIGHT MARKET ITS SERVICES?
	Q. A.	
16		HOW WILL FIBERLIGHT MARKET ITS SERVICES?
16 17	Α.	HOW WILL FIBERLIGHT MARKET ITS SERVICES? FiberLight's primary method of marketing will involve the use of a direct sales force.
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16171819	A. Q.	HOW WILL FIBERLIGHT MARKET ITS SERVICES? FiberLight's primary method of marketing will involve the use of a direct sales force. DOES FIBERLIGHT USE TELEMARKETING AS A METHOD FOR SELLING ITS SERVICES?

it will comply with all applicable telemarketing rules.

23

1	Q.	HOW ARE CUSTOMER INQUIRIES/DISPUTES HANDLED?
2	A.	Applicant's planned service offerings will meet or exceed the Commission's quality of
3		service requirements. In addition, connectivity of Applicant's network will expand upon,
4		improve and will not impair the statewide public switched network. In the event of a
5		billing dispute, FiberLight will review the disputed billing amount and promptly attempt
6		to reach a settlement to the mutual satisfaction of all parties. Following a full
7		investigation to determine whether or not the charges may have been improper, FiberLight
8		will adjust the disputed bill, if and as appropriate.
9	Q.	HOW WILL A CUSTOMER CONTACT FIBERLIGHT REGARDING BILLING
10		AND OTHER CUSTOMER SERVICE INQUIRIES?
11	A.	The following toll-free number is available for consumer inquiries: 1-800-672-0181.
12		The point person responsible for customer service is: Ms. Carla Hicks, 11700 Great Oaks
13		Way, Suite 100, Alpharetta, GA 30022. She can be reached by email at
14		Legal@FiberLight.com.
15	Q.	WHY IS FIBERLIGHT SEEKING EXEMPTIONS FROM ANY RULES
16		REQUIRING THAT ITS BOOKS BE KEPT IN CONFORMANCE WITH THE
17		UNIFORM SYSTEM OF ACCOUNTS?
18	A.	The USOA was developed by the Federal Communications Commission ("FCC") as a
19		means of regulating telecommunications companies subject to rate base regulation. As a
20		competitive carrier, FiberLight will not be subject to rate base regulation and therefore
21		requests Commission approval for FiberLight to maintain its books in accordance with
22		Generally Accepted Accounting Principles ("GAAP").

1	Q.	WHY ARE YOU SEEKING A WAIVER OF THE REQUIREMENT THAT YOUR
2		BOOKS AND RECORDS BE KEPT IN SOUTH CAROLINA PURSUANT TO 26
3		REGS. 103-610?
4	A.	FiberLight's business office is located in Alpharetta, Georgia, and in the absence of such
5		a waiver, FiberLight would have to assume additional expenses to maintain records and
6		reports in an office in South Carolina. FiberLight will maintain the required records at its
7		principal place of business. All such books and records shall be provided to the
8		Commission Staff or the Office of Regulatory Staff ("ORS") at the appropriate applicable
9		office within the State of South Carolina in a timely manner upon request.
10	Q.	HOW WILL APPLICANT GUARD AGAINST SLAMMING?
11	A.	FiberLight does not initially intend to provide voice services. In the event FiberLight
12		does provide switched voice services in the future, FiberLight will prevent unauthorized
13		switching of customers by obtaining a signed letter of authorization ("LOA"), or similar
14		authorization, from all new customers. FiberLight will comply with applicable South
15		Carolina law and FCC regulations regarding how carriers may change a customers'
16		primary carrier(s).
17	Q.	IS FIBERLIGHT SEEKING FLEXIBLE REGULATORY TREATMENT FOR ITS
18		LOCAL EXCHANGE SERVICE OFFERINGS?
19	A.	Yes, FiberLight respectfully requests that its local exchange service offerings be
20		regulated in accordance with Order No. 98-165 in Docket No. 97-467-C.
21	Q.	HAS APPLICANT REQUESTED ALTERNATIVE REGULATION OF ITS LONG
22		DISTANCE BUSINESS SERVICE, CONSUMER CARD AND OPERATOR
23		SERVICE OFFERINGS?

1	A.	Yes, FiberLight requests that all of its business service offerings be regulated pursuant to
2		the procedures described and set out in Commission Order Nos. 95-1734 and 96-55 in
3		Docket No. 95-661-C, as modified by Commission Order No. 2001-997 in Docket No.
4		2000-407-C. It is FiberLight's intent by this request to have its business services
5		regulated in the same manner as this Commission has permitted for AT&T South
6		Carolina. Specifically, FiberLight requests that the Commission:
7		a. remove the maximum rate tariff requirements for its business services, private
8		line, and custom network-type offerings (except as set forth in Commission Order
9		No. 2001-997).
10		b. presume that the tariff filings for these uncapped services by valid upon filing.
11		However, if the Commission institutes an investigation of a particular filing
12		within seven (7) days, the tariff filing would be suspended until further order of
13		the Commission; and
14		c. grant FiberLight the same treatment as AT&T in connection with any future
15		relaxation of the Commission's reporting requirements.
16	Q.	PLEASE DESCRIBE THE PUBLIC INTEREST BENEFITS ASSOCIATED WITH
17		APPLICANT'S PROPOSED OFFERING OF TELECOMMUNICATIONS
18		SERVICES IN SOUTH CAROLINA.
19	A.	The grant of this Application will promote the public interest by increasing competition
20		in the provision of telecommunications services in South Carolina. In addition to driving
21		prices closer to costs, thereby ensuring just and reasonable rates, competition also
22		promotes efficiency in the delivery of services and in the development of new services.
23		These benefits work to maximize the public interest by providing continuing incentives

- for carriers to reduce costs while simultaneously promoting the availability of innovative
 new services. Applicant's operations will be overseen by a well-qualified management
 team with substantial telecommunications experience and technical expertise. Applicant
 will provide customers high quality, cost effective telecommunications services, with an
 emphasis on customer service.
- 6 Q. DOES THIS CONCLUDE YOUR TESTIMONY?
- 7 **A.** Yes, it does.